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No. A-757

In the

Supreme Court of the United States

October Term, 1986

CARDINAL INDUSTRIES, INC.,

Petitioner,

vs.

RAYMOND C. KING AND
MICHAEL H. PATTERSON,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

Paul M. Bator
Kenneth S. Geller
Mayer, Brown & Platt
2000 Pennsylvania Ave,NW
Washington,DC 20006
(202) 463-2000

James Van Santen
Counsel of Record
Steven H. Noll
Kevin W. Guynn
Hill, Van Santen, Steadman & Simpson
70th Floor - Sears Tower
Chicago, Illinois 60606
(312) 876-0200

Counsel for Petitioner

Scheffer Printing Services, Inc.- (312) 263-6850

QUESTIONS PRESENTED

1. Whether states sued for copyright infringement, in violation of the Copyright Act of 1976, are entitled to immunity under the Eleventh Amendment.

2. Whether state employees sued for copyright infringement in their official capacity are entitled to immunity from injunctive relief under the Eleventh Amendment.

3. Whether state employees sued for copyright infringement in their individual capacity are entitled to immunity under the Eleventh Amendment.

PARTIES TO THE PROCEEDING

In addition to the parties named in the caption, Anderson Parrish Associates, Inc., Steven D. Lange, and John A. Anderson were appellees in the court of appeals. Pursuant to Rule 19.6 of the Rules of this Court, petitioner has notified the Clerk of the Court that these parties below have no interest in the outcome of the petition for a writ of certiorari.

RULE 28.1 STATEMENT

Petitioner Cardinal Industries, Inc., has no parent companies, subsidiaries (other than wholly-owned subsidiaries) or affiliates.

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IN THE SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1986

No.

CARDINAL INDUSTRIES, INC., PETITIONER

v.

RAYMOND C. KING and MICHAEL H. PATTERSON, RESPONDENTS

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

Petitioner Cardinal Industries, Inc., respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Eleventh Circuit in this case.

OPINIONS BELOW

The court of appeals' order of affirmance (App.A, *infra*, la) is reported at 811 F.2d 609. The orders of the district court (Apps. B, C, D and E, *infra*, 2a-27a) are not reported.

JURISDICTION

The judgment of the court of appeals was entered on January 27, 1987 (App. A, *infra*, la). On April 20, 1987, Justice Powell granted an extension of time to and including May 27, 1987, within which to file a petition for a writ of certiorari (App. F, *infra*, a). The jurisdiction of this Court is invoked under 28 U.S.C. § 1254 (1).

CONSTITUTIONAL PROVISION AND STATUTE INVOLVED

The Eleventh Amendment to the United States Constitution provides:

> The Judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State.

Section 501 (a) of the Copyright Act of 1976, 17 U.S.C. § 501(a), provides in pertinent part:

> Anyone who violates any of the exclusive rights of the copyright owner as provided in Section 106 through 118, or who imports copies or phono-records into the United States in violation of section 602, is an infringer of the copyright.

STATEMENT

1. This is a copyright infringement action arising out of the allegedly unauthorized use of copyrighted architectural plans for a student housing facility at the University of South Florida ("USF" or the "University"), an agency of the State of Florida. App. E, *infra,* 16a. Petitioner Cardinal Industries, Inc. ("Cardinal") is the largest manufacturer of factory-assembled modular housing in the United States. At all times relevant to this case, respondent Raymond C. King was Associate Vice President of Student Housing at the University of South Florida and respondent Michael H. Patterson was Director of the Office of Facilities Planning at the University. App. E, *infra,* 17a.

In 1981, in response to a student housing shortage, the University of South Florida decided to construct additional

dormitory facilities. Respondents King, Patterson, and other USF officials visited Cardinal's Sanford, Florida plant to inspect Cardinal's product and to tour model apartments constructed in accordance with Cardinal's copyrighted architectural plans. These officials received promotional materials containing reduced copyrighted architectural drawings of Cardinal's standard 12' x 24' modular units as well as promotional versions of Cardinal's floor plans. Thereafter, Theodore C. Meyer, Cardinal's area sales representative, continued to communicate with respondents King and Patterson regarding the use of Cardinal's units for the proposed student housing project. App. E, *infra*, 18a.

In early 1982, the University, in accordance with the rules and regulations of the Board of Regents and state policy, began soliciting bids from architectural firms to design the housing project. Respondent King gave Meyer a short list of the architectural firms that were being considered for project architect, and Meyer sent these firms Cardinal's "black book" containing literature showing the floor plans as well as the reduced copyrighted architectural drawings that had previously been provided to respondents King and Patterson. At all times, Cardinal's literature and drawings were properly marked to give statutory notice that the floor plans and architectural drawings were copyrighted. Anderson Parrish Associates, Inc. ("APA") was chosen as project architect in March 1982. App. E, *infra*, 18a.

University officials told APA of their desire to use modular housing and encouraged the use of Cardinal units. Accordingly, APA researched the modular industry and visited various

manufacturers, including Cardinal's Sanford plant. Thereafter, in April 1982, APA submitted four preliminary floor plans to USF, (not charged by Cardinal to be an infringement of its copyrights), but the University rejected them as too costly. Apparently, these preliminary plans were also rejected because they did not conform sufficiently to the Cardinal design. App. E, *infra*, 19a.

APA released a second set of plans on August 6, 1982, which were acceptable to the University. The first bidding held on these plans took place in August 1982 and was limited to modular premanufactured units. Because all of the bids received were too high, a second bid-letting was held in December 1982. Cardinal participated in this bid and advised other potential contractors that, in its view, these APA plans constituted a copyright infringement of Cardinal's plans. The contract was then awarded to an on-site builder. App. E, *infra*, 20a.

2. Cardinal commenced this action for copyright infringement, asserting violation of 17 U.S.C. § 501, in the United States District Court for the Middle District of Florida.[1/] Cardinal alleged that respondents King and Patterson, APA, and two of APA's employees unlawfully copied two floor plans that were protected by the copyright laws: a 1971 one bedroom unit plan (the "1971 plan"), and a studio floor plan disclosed in two separate copyrights, the "1977 plan" and a 1982 update of the studio unit plan (the "Florida plan"). The defendants denied

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1/ The complaint also charged respondents with unfair competition, in violation of 15 U.S.C. § 1125a, common law unfair competition, common law trademark infringement, and deceptive trade practices in violation of Florida law. App. E, *infra*, 16a. These claims are not at issue at this stage of the case.

copying any of Cardinal's plans and argued, in the alternative, that Cardinal was estopped from bringing this infringement action. The defendants also disputed the validity of the 1982 copyright on the so-called Florida plan. App. E, *infra,* 17a.

Respondents King and Patterson moved for summary judgment on the grounds of Eleventh Amendment immunity. 2/ The district court granted the motion on September 6, 1985. Although the court recognized that respondents were named in the complaint "in their individual capacities" (App. D *infra,* 11a.), it nonetheless concluded that they were "afforded the protection offered by the Eleventh Amendment" (*id.* at 14a). The court noted that respondents "were working within the scope of their official capacities as the Director of Housing and as a member of the Office of the Facility Planning, respectively, at the University of South Florida when the alleged infringement * * * occurred," that "an injunction prohibiting further use of [the architectural] plans or similar designs would undoubtedly have an adverse impact upon the University's future development," and that the University had offered to indemnify respondents (*id.* at 11a. 13a, 14a). As a result, the court held that "the University of South Florida is the real and substantial party in interest with regard to the suit filed against King and Patterson" (*id.* at 14a).

2/ Respondents King and Patterson had previously attempted to file a third-party complaint against the Board of Regents of the State of Florida, alleging causes of action for implied indemnification, breach of contract and negligence. App. C, *infra,* 8a. Respondents claimed that they had relied on the Board's legal opinions that use of the architectural plans would not infringe petitioner's copyrights. The district court dismissed this complaint on March 12, 1985, ruling that the Board, as an arm of the State, was protected by the Eleventh Amendment from suit in federal court.

3. Following the district court's dismissal of respondents King and Patterson from the action, the case proceeded against APA and its employees. After a non-jury trial, the court entered judgment in favor of these defendants. Upon review of the final APA plans and Cardinal's 1971, 1977 and Florida plans, the court found that "although both utilize the basic 12' x 24' dimension and 2/12 [roof] pitch, there are a number of substantial differences" (App.E, *infra,* 20a) and that "[a]ny apparent similarities are not the result of copying by the [respondents], but rather are attributable to either unprotected design ideas, basic industrial standards or accomondation [*sic*] of [Cardinal's] insistence that the plans be biddable by Cardinal" (*id.* at 23a). Moreover, the court held that, even if respondents had copied Cardinal's designs, Cardinal's "active persuasion of both the University officials and APA personnel to incorporate Cardinal standards into the plans" entitled respondents to the defense of estoppel. *Id.* at 23a.

4. On January 27, 1987, the United States Court of Appeals for the Eleventh Circuit affirmed the district court's decision without opinion. App.A, *infra,* 1a.

REASONS FOR GRANTING THE PETITION

In affirming the district court's dismissal of this action against respondents King and Patterson, the court of appeals committed two fundamental errors of substantial public importance. First, the court below held that the Eleventh Amendment prohibits suits against the states alleging violation of the Copyright Act of 1976. This decision frustrates the purposes of the copyright laws and conflicts with the rulings of several other courts. Second, the court below held that the

Eleventh Amendment also prohibits suits against state officials for copyright infringement, even though only injunctive relief is sought and even though such officials are sued in their individual capacity. This decision conflicts with numerous rulings of this Court explaining the crucial distinction between individual-capacity and official-capacity actions and the limits of Eleventh Amendment immunity. Further review by this Court is therefore warranted.

A. THE COURT OF APPEALS ERRED IN HOLDING THAT STATES MAY NOT BE SUED FOR COPYRIGHT INFRINGEMENT.

1. The Eleventh Amendment Immunity Of States From Suits Alleging Copyright Infringement Is An Important Issue That Has Divided The Courts Of Appeals.

Article I, § 8, cl. 8 of the Constitution provides that, "[t]o promote the Progress of Science and useful Arts," Congress may "secur[e] for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Pursuant to this grant of authority, the very first Congress enacted a copyright law. Act of May 31, 1790, ch. 15, 1 Stat. 124. The current copyright statute, the Copyright Act of 1976, 17 U.S.C. § 101 *et. seq.*, grants copyright owners exclusive rights in their copyrighted works and provides that "[a]nyone who violates any of the exclusive rights * * * is an infringer of the copyright" (17 U.S.C. § 501) and may be sued for injunctive relief (17 U.S.C. § 502), damages (17 U.S.C. § 504), and other appropriate remedies (see 17 U.S.C. §§ 503, 505).

Although federal copyright protection has been a feature of our legal system for nearly two centuries, the lower courts are hopelessly divided on the question whether states must comply with the copyright laws. In *Withol* v. *Crow*, 309 F.2d 777 (8th Cir. 1962), the Eighth Circuit held, without discussion, that a "suit against the State of Iowa, for the infringement of a copyright, clearly could not be maintained, because of the Eleventh Amendment" (*id.* at 781). This ruling has been followed by several district courts. See, *e.g.*, *Richard Anderson Photography* v. *Radford University*, 633 F. Supp. 1154 (W.D. Va. 1986); *Woelffer* v. *Happy States of America, Inc.*, 626 F. Supp. 499 (N.D. Ill. 1985); *Mihalek Corp.* v. *Michigan*, 595 F. Supp. 903 (E.D. Mich. 1984), affirmed on other grounds, 814 F.2d 290 (6th Cir. 1987).[3/]

On the other hand, the Ninth Circuit, after a thorough analysis of the background, purpose, and language of the copyright statute, concluded that Congress "inten[ded] to include states within the class of defendants" prohibited from engaging in copyright infringement. *Mills Music, Inc.* v. *State of Arizona*, 591 F.2d 1278, 1285 (9th Cir. 1979). See also *id.* at 1286 ("[w]e do not find *Withol*, * * * and its progeny, persuasive, and decline to follow it"). The Ninth Circuit's ruling has been applied by other courts (see *Johnson* v. *University of Virginia*, 606 F. Supp. 321 (W.D. Va. 1985)) and has been endorsed by the commentators. See, *e.g.*, 3 Nimmer on Copyright § 12.01[E], at 12-21 (1986) ("The better

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3/ The Sixth Circuit in *Mihalek* found "it unnecessary to discuss the difficult question as to whether state immunity applies to a copyright and/or trademark violation claim." 814 F.2d at 297.

view was expressed in *Mills Music* * * *, which squarely held that a state is not exempt from liability under the Copyright Act by reason of the Eleventh Amendment"); Note, *The Applicability of Eleventh Amendment Immunity Under the Copyright Acts of 1909 and 1976,* 36 Am. Univ. L. Rev. 163, 183 (1986) ("the analyses in *Mills Music* and *Johnson* represent a closer reading of the statutory language and intent, and are more consistent with the goals of copyright"). See also *Howell* v. *Miller,* 91 F. 129, 137 (6th Cir. 1898) (Harlan, Circuit Justice) (state "officers cannot interpose their official character, or the orders of the state, against such relief as may be granted" under the federal copyright laws).

It is essential that this Court resolve the conflict in the circuits. The issue of state compliance with the copyright laws is of substantial practical importance, because "[t]he states' use of copyrighted materials is systematic and significant. It encompasses a large market including textbooks, training manuals, films, videos, computer software, and advertising materials. If federal remedies are unavailable, the potential harm to individuals is significant." Note, *supra,* 36 Am. Univ. L. Rev. at 165 (footnotes omitted). Moreover, the issue, which requires accommodation of an important constitutional amendment and an important federal statute, demands a nationwide solution. See *Goldstein* v. *California,* 412 U.S. 546, 555 (1973) ("[t]he objective of the Copyright Clause was clearly to facilitate the granting of rights national in scope"). As matters now stand, however, Florida may infringe Cardinal's copyrights but California may not. Finally, as we now explain, the decision below accommodates the constitutional provision

and the statute in a way that disserves the interests of both.

2. Congress Intended To Abrogate The States' Eleventh Amendment Immunity From Suits Alleging Copyright Infringement.

The Eleventh Amendment limits the jurisdiction of the federal courts in suits against the states. As this Court has noted, however, "[t]here are * * * certain well-established exceptions to the reach of the Eleventh Amendment." *Atascadero State Hospital* v. *Scanlon,* 473 U.S. 234, 238 (1985). For example, a state may waive its immunity and consent to suit in federal court. See, *e.g., Oneida County* v. *Oneida Indian Nation,* 470 U.S. 226, 252 (1985); *Petty* v. *Tennessee-Missouri Bridge Comm'n,* 359 U.S. 275, 276 (1959); *Clark* v. *Barnard,* 108 U.S. 436, 447 (1883). In addition, even without the states' consent, Congress may abrogate the Eleventh Amendment immunity when appropriate in exercising its enumerated powers. See, *e.g., Fitzpatrick* v . *Bitzer,* 427 U.S. 445, 456 (1976); *Parden* v. *Terminal Ry.,* 377 U.S. 184, 191-192 (1964). At the same time, the Court has cautioned that, given the concerns of federalism, "it is incumbent upon the federal courts to be certain of Congress' intent before finding that federal law overrides the guarantees of the Eleventh Amendment." *Atascadero,* 473 U.S. at 243.

There is every reason to be certain that the Copyright Act "unequivocally express[es]" (*Atascadero,* 473 U.S. at 243) Congress's intent that the states be bound by the rule prohibiting copyright infringement. To begin with, Section 501 of the Act provides that "*[a]nyone* who violates any of the exclusive rights of the copyright owner * * * is an infringer of the copyright."

17 U.S.C. § 501. As the Ninth Circuit remarked in *Mills Music*, 591 F.2d at 1285, "[t]he language of the statute is sweeping and without apparent limitation, suggesting that Congress intended to include states within the class of defendants.[4/] The Copyright Act prohibits unauthorized use of copyrighted materials by persons, corporations, partnerships, non-profit institutions (see 17 U.S.C. § 504 (c) (2)), federal employees, and even the United States. See 28 U.S.C. § 1498 (granting jurisdiction to the Claims Court to hear claims against the federal government "under the copyright laws of the United States"); *Williams & Wilkins Co.* v. *United States*, 487 F.2d 1345 (Cl. Ct. 1973), affirmed by an equally divided court, 420 U.S. 376 (1975); *Time, Inc.* v. *Bernard Geis Assoc.*, 293 F. Supp. 130, 134 (S.D.N.Y. 1968); *Towle* v. *Ross*, 32 F. Supp. 125, 127 (D. Or. 1940). Accordingly, it would be peculiar indeed to conclude that, when Congress used the word "anyone," it nonetheless meant *sub silentio* to exclude the states from the statute's reach. See *Parden*, 377 U.S. at 187.

Moreover, and perhaps more important, it would wholly frustrate Congress's purposes in enacting a pervasively federal and fully comprehensive copyright protection scheme to recognize a large class of potential infringers who are immune from liability. The basic purpose of the copyright laws is to

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4/ The Ninth Circuit made this observation in construing the Copyright Act of 1909, which imposed liability on "any person" who infringed a copyright. Pub. L. No. 60-349, ch. 320, § 25, 35 Stat. 1075, 1081 (1909). The "language of the 1976 Act is at least as sweeping, and probably more sweeping, than the language of the 1909 Act in identifying the class of defendants subject to copyright infringement." *Johnson*, 606 F. Supp. at 324.

stimulate artistic creativity for the public good. See *Sony Corp.* v. *University City Studios, Inc.*, 464 U.S. 417, 429 (1984); *Twentieth Century Music Corp.* v. *Aiken*, 422 U.S. 151, 156 (1975). The Act affords encouragement to production of artistic or literary works of lasting benefit by granting valuable and enforceable rights to authors and publishers, principally the exclusive right to extract economic benefit from the creative work. See *Mazer* v. *Stein*, 347 U.S. 201, 219 (1954); *Washington Pub. Co.* v. *Pearson*, 306 U.S. 30, 36 (1939). Without question, permitting the states to steal copyrighted works with impunity would undermine these goals:

> In its most narrow application, the eleventh amendment defense eliminates the compensation to and encouragement of a certain class of authors, namely those who provide works for states and their agencies or instrumentalities. In its most expansive application, the defense encourages states to infringe any copyright with impunity. The natural result of this lack of encouragement and compensation indirectly affects the public welfare because the public will have access to fewer works.

Note, *supra*, 36 Am. Univ. L. Rev. at 184 (footnotes omitted). Once again, Congress's express determination that even the federal government should be required to respect "the copyright monopoly" granted by federal statute (*United States* v. *Paramount Pictures, Inc.*, 334 U.S. 131, 158 (1948)) eliminates any plausible basis in policy or fairness for arguing that state governments should be treated differently. See *Matter of McVey Trucking, Inc.*, 812 F.2d 311, 326-327 (7th Cir. 1987).

It is significant in this regard that the statutory scheme established by the Copyright Act contains none of the features

that have led this Court to recognize Eleventh Amendment defenses to federal statutory liability in the past. In *Employees* v. *Missouri Dept. of Public Health & Welfare*, 411 U.S. 279 (1973), for example, the Court held that Congress had not intended to override the states' Eleventh Amendment immunity in passing the Fair Labor Standards Act. The Court quickly emphasized, however, that its holding did not make the statute meaningless or grant "a right without any remedy." *Id.* at 287. First, the Secretary of Labor could sue state employers in federal court to enjoin violations of the FLSA and to obtain restitution on behalf of aggrieved employees; thus, the Court noted, "[t]he policy of the Act so far as the States are concerned is wholly served by allowing the delicate state-federal relationship to be managed through the Secretary of Labor." *Id.* at 286.[5/] Second, the FLSA authorized employee suits in "any court of competent jurisdiction," a provision that arguably allowed state employees to sue for back pay in state court. *Id.* at 287. See also *id.* at 297 (Marshall, J., concurring). Similarly, in *Atascadero*, the Court's holding that the Eleventh Amendment barred private damages actions by handicapped state employees did not mean that the states could violate the Rehabilitation Act of 1973 with impunity; the statute contained a fund cutoff provision applicable against the states. See 29 U.S.C. §

5/ The Eleventh Amendment is inapplicable to suits brought in federal court by the United States. *United States* v. *Mississippi*, 380 U.S. 128, 140-141 (1965).

721(c). [6]

These considerations have no application here. Congress has provided that the federal courts have *exclusive* jurisdiction over copyright infringement suits (28 U.S.C. § 1338(a)), and it has preempted all state laws that "are equivalent to any of the exclusive rights within the general scope of copyright" (17 U.S.C. § 301(a)). Thus, a copyright owner may not bring suit against a state in state court, and allowing the states to invoke the Eleventh Amendment would eliminate *all* remedies for copyright violations by the states. Furthermore, the United States would not have standing to sue a state for copyright infringement at the behest of an aggrieved copyright holder; the Act explicitly authorizes only "[t]he legal or beneficial owner of an exclusive right under a copyright * * * to institute an action for any infringement of that particular right committed while he or she is the owner of it." 17 U.S.C. § 501(b). No other remedy is available.

In short, if the Court concludes, as we have argued above, that it would be wholly irrational for Congress to have excluded the states, and the states alone, from the obligations imposed by

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[6] The background of the Rehabilitation Act suggested another reason why Congress could not be said to have "unequivocally expressed" its intention to abrogate the states' Eleventh Amendment immunity. The Act, which was passed in 1973, incorporated the "remedies, procedures, and rights set forth in title VI of the Civil Rights Act of 1964" (29 U.S.C. § 794a). It was not until 1979, however, in *Cannon* v. *University of Chicago*, 441 U.S. 677 (1979), that the Court held that an implied private cause of action for damages was available under Title VI. The Copyright Act, by contrast, contains an *express* cause of action for damages and injunctive relief against "anyone" who infringes a copyrighted work (17 U.S.C. § 501(a)), and that provision was in effect prior to respondents' alleged infringement.

the Copyright Act, then it necessarily follows that Congress must have intended to abrogate the states' Eleventh Amendment immunity in passing the Act. Otherwise, there would be "a right without a remedy." *Employees*, 411 U.S. at 287. See *Hutto* v. *Finney*, 437 U.S. 678, 698 n.31 (1978); Note, *Congressional Abrogation of State Sovereign Immunity*, 86 Colum. L. Rev. 1436, 1443-1444 & n. 63 (1986).

Finally, we are not dealing here with a statute that would substantially interfere with state operations or impose "enormous fiscal burdens on the States" (*Employees*, 411 U.S. at 284). States have no compelling governmental need to infringe copyrights; on those occasions when states must use protected materials, they need only pay royalties — as private persons, corporations, cities and counties, and the United States would be obliged to do in similar circumstances. The burden on the states of complying with the copyright laws would be no greater than the burden of paying just compensation when any other private property is taken for public use. See *Ruckelshaus* v. *Monsanto Co.*, 467 U.S. 986, 1003-1004 (1984); *James* v. *Campbell*, 104 U.S. 356, 358 (1881); *Roth* v. *Pritikin*, 710 F.2d 934, 939 (2d Cir. 1983), cert. denied, 464 U.S. 961 (1984). Indeed, the fact that the states are subject to the Takings Clause, see *Webb's Fabulous Pharmacies, Inc.* v. *Beckwith*, 449 U.S. 151, 160 (1980), makes it even more implausible that Congress would have wanted to sanction their uncompensated appropriation of a valuable property right.

B. THE COURT OF APPEALS ERRED IN HOLDING THAT STATE OFFICIALS ARE ENTITLED TO ELEVENTH AMENDMENT IMMUNITY

Even if the courts below were correct in concluding that the states may not be sued for copyright infringement because of the Eleventh Amendment, they plainly erred in dismissing the case against respondents King and Patterson, who were officials of the State of Florida. It has never been thought that the protections of the Eleventh Amendment extend to *injunctive* relief against state officials, or to relief against state officials sued in their *individual* capacity.

1. The Eleventh Amendment Does Not Bar Injunctive Relief Against State Officials Who Violate Federal Law.

Nearly 80 years ago, in the landmark case of *Ex parte Young*, 209 U.S. 123 (1908), this Court held that the Eleventh Amendment did not prevent federal courts from granting prospective injuctive relief against state officials to prevent a continuing violation of federal law. "In an injunctive or declaratory action grounded on federal law, the State's [Eleventh Amendment] immunity *can* be overcome by naming state officials as defendants." *Kentucky* v. *Graham*, 473 U.S. 159, 169 n. 18 (1985) (emphasis in original). This rule, based on the fiction that state officials who violate federal law cannot be thought to be exercising state authority, is "necessary to permit the federal courts to vindicate federal rights and hold state officials responsible to 'the supreme authority of the United States.' " *Pennhurst State School & Hospital* v. *Halderman*,

465 U.S. 89, 105 (1984) (quoting *Young*, 209 U.S. at 160). The Court has repeatedly adhered to this bedrock principle of federalism. See, *e.g.*, *Papasan* v. *Allain*, 106 S.Ct. 2932, 2940, 2943 n.14 (1986); *Green* v. *Mansour*, 106 S. Ct. 423, 426 (1985); *Hutto* , 437 U.S. at 692; *Edelman* v. *Jordan*, 415 U.S. 651, 664 (1974).

As noted above, Congress in the Copyright Act empowered federal courts to grant prospective equitable relief, including injunctions "to prevent or restrain infringement of a copyright." 17 U.S.C. § 502(a). Pursuant to that authority, petitioner's complaint in this case asked that respondents King and Patterson "be permanently enjoined from infringing in any manner the copyrights of CARDINAL" and from "publishing, selling or otherwise disseminating any copyrighted material which in whole or in part is copied from CARDINAL architectural plans." Complaint, p. 14. This remedy was necessary to prevent a continuing violation of the Copyright Act and to "assur[e] the supremacy of that law." *Green*, 106 S.Ct. at 426. Because "actions for prospective relief are not treated as actions against the State" (*Graham*, 473 U.S. at 167 n.14), it was error to dismiss the complaint against respondents, to the extent it sought an injunction, on the basis of the Eleventh Amendment.

Significantly, even those courts that have adopted respondents' expansive view of the Eleventh Amendment in the context of copyright infringement suits against the states have allowed such suits to proceed against state officials for equitable relief. Thus, in *Woelffer* v. *Happy States of America, Inc.*, 626 F.Supp. 499 (N.D. Ill. 1985), the court held that the Eleventh Amendment barred an infringement action against the

Illinois Department of Commerce and Community Affairs (DCCA). Nonetheless, the court refused to dismiss the case against the DCCA's director, stating that "[b]ecause the injunctive relief requested * * * against Woelffer rests squarely within the injunctive relief authorized by *Edelman* and *Young*, it is not barred by the Eleventh Amendment." *Id.* at 505. And in *Mihalek Corp.* v. *State of Michigan*, 595 F. Supp. 903 (E.D. Mich. 1984), affirmed on other grounds, 814 F.2d 290 (6th Cir. 1987), the court held that the "defendants in this action are entitled to immunity under the eleventh amendment * * * for money damages" for copyright infringement, but that "[t]o the extent that plaintiff is seeking injunctive relief against future violations of his federally protected rights, by the individual defendants, the eleventh amendment offers no protection to the individual defendants" (595 F. Supp. at 906).

The courts below, by contrast, recognized an Eleventh Amendment defense to Cardinal's claims for a prospective injunctive remedy against state officials charged with violating federal law. Further review is warranted to correct that error and to "assur[e] the supremacy of that law." *Green*, 106 S.Ct. at 426.

2. The Eleventh Amendment Does Not Bar Suits Against State Officials Named In Their Individual Capacity.

The courts below misconstrued the Eleventh Amendment in another respect as well. As the district court recognized, the complaint in this case "named [respondents King and Patterson] in their individual capacities" (App. D, *infra*, 11a). Yet the court failed to appreciate that a suit against a state official, in his

individual capacity, is not a suit against the state, and thus cannot run afoul of the Eleventh Amendment.

This Court in recent years has repeatedly had occasion to caution lower courts and litigants concerning "careful adherence to the distinction between personal- and official-capacity suits * * * ." *Graham,* 473 U.S. at 165. In *Owen* v. *City of Independence,* 445 U.S. 622 (1980), the Court distinguished between suits against officials "in their individual capacities" on the one hand, and those in which "only the liability of the municipality itself is at issue," on the other. *Id.* at 638 n. 18. In *Hutto* v. *Finney, supra,* the Court held that a suit against the Arkansas Commissioner of Corrections and other state officers was a suit against the State of Arkansas for Eleventh Amendment purposes, because the defendants had been sued in their "official capacities." 437 U.S. at 693. And in *Brandon* v. *Holt,* 469 U.S. 464 (1985), the Court held that a "judgment against a public servant 'in his official capacity' imposes liability on the entity that he represents * * * ." *Id.* at 471. The Court summarized the governing rules in *Graham,* 473 U.S. at 165-166, 167 (citations omitted):

> Personal-capacity suits seek to impose personal liability upon a government official for actions he takes under color of state law. Official-capacity suits, in contrast, "generally represent only another way of pleading an action against an entity of which an officer is an agent." * * * [A]n official-capacity suit is, in all respects other than name, to be treated as a suit against the entity. It is *not* a suit against the official personally, for the real party in interest is the entity.
>
> * * * *
>
> With this distinction in mind, it is clear that a suit against a government official in his or her personal capacity cannot

> lead to imposition of * * * liability upon the governmental entity. A victory in a personal-capacity action is a victory against the individual defendant, rather than against the entity that employs him.

In other words, a suit against a state officer in his or her *individual* or *personal* capacity is a suit against the officer personally, not against the state. While official immunity defenses may be available to the officer if the suit seeks damages liability (see *Graham*, 473 U.S. at 166-167), the officer cannot resort to defenses, such as Eleventh Amendment immunity that only the sovereign may possess. *Id.* at 167.

Here, as in *Graham*, "this case was necessarily litigated as a personal-capacity action" (473 U.S. at 168). The caption of the complaint expressly named respondents King and Patterson in their "individual" capacity and did not separately identify them by their official titles. See *Brandon*, 469 U.S. at 469 n.11. Moreover, as noted above, the district court acknowledged that respondents were sued in their individual capacity. See *id.* at 468 n.8. Respondents therefore were not entitled to the benefit of a defense that applies only to the states. *Hutto*, 437 U.S. at 699 n.32 ("the State's immunity does not extend to the individual officers"). See *Richard Anderson Photography* v. *Radford University*, 633 F. Supp. 1154, 1161 (W.D. Va. 1986) (emphasis in original):

> Insofar as this action is directed against Brown in her official capacity, she is immune from liability based on the Eleventh Amendment. Because Brown may be *personally* liable for her alleged misconduct, however, she shall remain a defendant * * * as to the copyright infringement claim.

The reasons offered by the district court for ignoring this

settled distinction have no validity. First, the court remarked that respondents "were working within the scope of their official capacities * * * when the alleged infringement and unfair competition occurred." App. D, *infra*, 12a. But the same thing could be said whenever a state official is sued in his individual capacity for actions taken as part of his job. If the district court were correct, there would be no need for the official immunity defense — which applies only in individual-capacity actions, and only when the defendant's actions were taken "within the sphere of official responsibility" (*Wood* v. *Strickland*, 420 U.S. 308, 322 (1975)). See also *Pennhurst*, 465 U.S. at 104-105 (mentioning the "well-recognized irony" that acts constituting state action for Fourteenth Amendment purposes do not constitute state action for Eleventh Amendment purposes).

Second, the district court mentioned that "the University's offer to indemnify [respondents] not only ratifies their acts, but further supports a finding that their acts were within the scope of their employment" (App., D *infra*, 14a). A state's voluntary decision to indemnify one of its employees, however, cannot convert a suit against the employee into a suit against the state within the meaning of the Eleventh Amendment. See L. Tribe, American Constitutional Law 133 n.22 (1978); *Wilson* v. *Beebe*, 770 F.2d 578, 588 (6th Cir. 1985) (en banc); *Demery* v. *Kupperman*, 735 F.2d 1139, 1148-1149 (9th Cir. 1984), cert. denied 469 U.S. 1127 (1985). See also *Cleavinger* v. *Saxner*, 106 S.Ct. 496, 504 (1985). Any other rule would lead to an absurd result: by offering to protect an employee against damages liability, a state could eliminate that very liability. Not

surprisingly, that is not the law.[7/]

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted.

Paul M. Bator
Kenneth S. Geller
Mayer, Brown & Platt
2000 Pennsylvania Ave., NW
Washington, DC 20006
(202) 463-2000

James Van Santen
Counsel of Record
Steven H. Noll
Kevin W. Guynn
Hill, Van Santen, Steadman & Simpson
70th Floor - Sears Tower
Chicago, Illinois 60606
(312) 876-0200

Counsel for Petitioner

MAY 1987

[7/] As noted above, (see page 6, *supra*), this case proceeded to trial against APA and its employees after the state officials were dismissed on Eleventh Amendment grounds. Cardinal was prejudiced in proving its case against the remaining defendants once the state officials were no longer parties. In any event, the findings reached in regard to Cardinal's claims against APA are not dispositive of its claims against respondents King and Patterson. If the dismissal of the state officials was erroneous, Cardinal is entitled to prove its infringement claims against those defendants.

APPENDIX A DO NOT PUBLISH

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

NO. 86-3354

CARDINAL INDUSTRIES, INC.
a corporation

Plaintiff-Appellant,
Cross-Appellee,

versus

ANDERSON PARRISH ASSOCIATES, INC., a corporation, RAYMOND C. KING, an individual; MICHAEL H. PATTERSON, an individual; STEVEN D. LANGE, an individual; and JOHN A. ANDERSON, an individual,

Defendants-Appellees,
Cross-Appellants.

Appeals from the United States District Court for the Middle District of Florida

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(January 27, 1987)

Before FAY and KRAVITCH, Circuit Judges, and MORGAN, Senior Circuit Judge.

PER CURIAM: AFFIRMED. See Circuit Rule 25.

[Peter T. Fay] S/PTF
[Phyllis A. Kravitch] S/PAK
[Lewis R. Morgan] S/LRM

APPENDIX B

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CARDINAL INDUSTRIES, INC.,
a corporation,

Plaintiff,

vs. Case No. 83-1038-Civ-T-13

ANDERSON PARRISH ASSOCIATES,
et al.,

Defendants.
_____/

ORDER

This cause comes before the Court upon the defendants Raymond C. King and Michael H. Patterson's motion to dismiss, the defendants Anderson Parrish Associates, Inc., Steven D. Lange and John A. Anderson's motion to dismiss and the defendant Anderson Parrish Associates, Inc.'s motion for rehearing or reconsideration of order limiting time for completion of discovery and scheduling pre-trial conference and trial.[1/]

The defendants King and Patterson assert that this action must be dismissed based upon the plaintiff's inability to join the Florida Board of Regents (hereinafter "the Board") and the Executive

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1/ The plaintiff joins in the defendant's motion for rehearing or reconsideration.

Office of the Governor (hereinafter "the Governor") as indispensable parties,[2/] pursuant to Rule 19, Fed. R. Civ. P. Rule 19 requires the Court to utilize a two part test to determine whether either the Board or the Governor should be joined in the action. First, the appropriateness of joining the additional parties must be analyzed pursuant to Rule 19(a).[3/] If for some reason the additional party should be joined but cannot be, because of jurisdictional problems, the Court must determine under Rule 19(b) whether the litigation should continue absent the additional

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2/ As noted by several commentators, the term "indispensable party" is merely a conclusory phrase arrived at after the Court has determined under Rule 19, Fed.R.Civ.P., that the additional party should be joined for a just adjudication of the action. *Challenge Homes* v. *Greater Naples Care Center*, 669 F.2d 667, 669 n.3 (11th Cir. 1982).

3/ Rule 19(a) provides in relevant part that:
A person . . . shall be joined as a party in the action if (1) in his absence complete relief cannot be accorded among those already parties, or (2) he claims an interest relating to the subject of the action and is so situated that the disposition of the action in his absence may (i) as a practical matter impair or impede his ability to protect that interest or (ii) leave any of the persons already parties subject to a substantial risk of incurring double, multiple or otherwise inconsistent obligations by reason of his claimed interest.

party.[4/] The Court's analysis under Rule 19 is influenced by the particular relief requested by the plaintiff. The plaintiff requests that all of the defendants be enjoined from the construction of dwelling units having a structure and appearance substantially similar to the plaintiffs' "Series 100 Modular Unit." The defendants King and Patterson argue that for them to be enjoined would hinder the Board and the Governor's ability to utilize future construction plans as important employees, defendants in this action, would be unable to perform their jobs.[5/] Further, the defendants would be placed in the position of having to follow

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[4/] Rule 19(b) provides in relevant part that:
If a person as described in subdivision (a) (1) - (2) hereof cannot be made a party, the court shall determine whether in equity and good conscience the action should proceed among parties before it, or should be dismissed, the absent person being thus regarded as indispensable. The factors to be considered by the court include: first, to what extent a judgment rendered in the person's absence might be prejudicial to him or those already parties; second, the extent to which, by protection provisions in the judgment, by the shaping of relief, or other measures, the prejudice can be lessened or avoided; third, whether a judgment rendered in the person's absence will be adequate; fourth, whether the plaintiff will have an adequate remedy if the action is dismissed for nonjoinder.

[5/] Defendant King is the director of housing at the University of South Florida. Defendant Patterson is a member of the office of facilities planning at the University of South Florida.

conflicting orders from the Board and the Governor, on the one hand, and the Court, on the other. As noted by the plaintiff, however, both the Board's and the Governor's function, pursuant to Fla. Admin. Code Ch. 6C-14.15, is to review and approve state university building programs. Neither the Governor nor Board initiate or select building programs or floor plans. Hence, the current parties can obtain complete relief without adversely impacting separate interests of either the Board or the Governor. The plaintiff has merely requested relief against those individuals directly responsible for the building programs at the University of South Florida. Further, the interests represented by both the Board and the Governor can be adequately protected by those representing the interests of the defendants King and Patterson.[6/] As a result, the Court concludes that neither the Board nor the Governor need be joined in this action. The absence of these additional parties in no way jeopardizes their interests nor subjects any party to multiple or inconsistent obligations. *Challenge Homes* v. *Greater Naples Care Center*, 669 F.2d 669 [sic] [667 sic], 670 (11th Cir. 1982). Having determined that neither the Board nor the Governor need be parties to this action, the Court does not address the

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[6/] The defendants King and Patterson do not argue that the Board and the Governor would be indispensable parties as to the plaintiff's other prayers for relief.

question of whether they are immune from suit by private parties under the Eleventh Amendment. Accordingly, the defendants King and Patterson's motion to dismiss is DENIED. They are directed to answer the complaint within ten (10) days of the date of this Order.[1/]

The defendants Anderson Parrish Associates, Inc., Steven D. Lange and John A. Anderson have also moved to dismiss based upon the plaintiff's failure to state a claim for which relief can be granted. It is well established that "a motion to dismiss for failure to state a claim should not be granted unless it appears to a certainty that the plaintiff would not be entitled to recover under any state of facts that could be proved in support of his claim." *Cook & Nichol, Inc.* v. *The Plimsoll Club,* 451 F.2d 505, 506 (5th Cir. 1971). *Accord, Conley* v. *Gibson,* 355 U.S. 41 (1957). Accordingly, the defendants Anderson Parrish Associates, Inc., Lange and Anderson's motion to dismiss is DENIED. They are directed to answer the complaint within ten (10) days of the date of this Order.

1/ As the defendants Anderson Parrish Associates, Inc., Lange and Anderson have adopted the defendants King and Patterson's motion to dismiss, their motion is also DENIED.

As this case will be at issue within ten (10) days, the parties' motion for rehearing or reconsideration of the Court's Order limiting time is DENIED as moot.

DONE AND ORDERED in Chambers at Tampa, Florida this 16th day of March, 1984.

George C. Carr
UNITED STATES DISTRICT JUDGE

APPENDIX C

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CARDINAL INDUSTRIES, INC.,
a corporation,

Plaintiff,

vs. Case No. 83-1038-Civ-T-13

ANDERSON PARRISH ASSOCIATES,
et al.,

Defendants.
_____/

ORDER

This cause comes before the Court on the motion to dismiss the third-party complaint filed by the third-party defendant, the Board of Regents of the State of Florida. The motion is GRANTED.

The plaintiff, Cardinal Industries, Inc., filed this action alleging that the defendant Anderson Parrish Associates, Inc., and the individual defendants engaged in unfair competition and deceptive trade practices and infringed on the plaintiff's copyright. The suit stems from architectural plans for dormitories for the University of South Florida which the plaintiff claims it copyrighted. The defendants filed a third-party complaint against the Board of Regents claiming they relied on legal opinions from the Board which concluded that the

plans for the dormitories were not an infringement of the plaintiff's copyright. The third-party complaint contains causes of action for implied indemnification, breach of contract and negligence.

In its motion to dismiss, the Board of Regents argues, *inter alia,* that it is protected from suit in Federal Court by the eleventh amendment. *See Edelman* v. *Jordan,* 415 U.S. 651 (1974) and *Pennhurst State School and Hospital* v. *Halderman,* ___ U.S. ___, 104 S. Ct. ___, 79 L.Ed 2d 67 (1984). The third-party plaintiffs responded to the motion to dismiss by claiming that the Florida Supreme Court recently permitted the state to be sued for express, written contracts. *Pan-Am Tobacco Corporation* v. *Department of Corrections,* 425 So. 2d 1167 (Fla. 1984). *Pan-Am* , however, concerns the state's sovereign immunity pursuant to Article X, §13 of the Florida Constitution. *Pan-Am* does not limit the state's immunity in Federal Court under the eleventh amendment. Since the third-party plaintiffs acknowledge that the Board of Regents is an arm of the state for immunity purposes, the eleventh amendment protects the Board of Regents from being sued in this Court and the motion to dismiss is GRANTED.

DONE AND ORDERED in Chambers at Tampa, Florida, this 12th day of March, 1985.

George C. Carr
UNITED STATES DISTRICT JUDGE

APPENDIX D

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CARDINAL INDUSTRIES, INC.,
a corporation,

Plaintiff,

vs. Case No. 83-1038-Civ-T-13

ANDERSON PARRISH ASSOCIATES,
et al.,

Defendants.
_____/

PARTIAL SUMMARY JUDGMENT

This cause comes before the Court upon the plaintiff's motion to voluntarily dismiss count V of the complaint and two motions for summary judgment filed by the defendants. The plaintiff's motion is GRANTED and therefore, count V of the complaint is DISMISSED, without prejudice, pursuant to Rule 41(a) (2), Federal Rules of Civil Procedure.

The first motion for summary judgment was filed by the defendants, Anderson Parrish Associates, Inc., Steven D. Lange, and John A. Anderson. In the motion, the defendants argue that count I of the complaint fails because the plaintiff's claim of infringement of copyrighted architectural plans gives the plaintiff "no unique claim on any feature of the

structure they detail"; count II is inadequate because the plaintiff has failed to show a likelihood of confusion required under 15 U.S.C. §1125 (a); count III, brought under the theory of common law unfair competition, fails to allege that the defendants were "passing off" services as those of the plaintiff and count IV, claiming common law trademark infringement, fails because the plaintiff has not claimed that the defendants used the plaintiff's "name or marks". Aside from the fact that such attacks on the sufficiency of a complaint are more properly raised in a motion to dismiss, all of the above arguments raised by the defendants are improperly restrictive interpretations on the causes of action alleged in the complaint. Additionally, since this Court granted a voluntary dismissal of count V of the complaint, the arguments raised in opposition to that count are moot. Since there certainly remain genuine issues of material facts and the moving defendants are not entitled to a judgment as a matter of law, the motion for summary judgment filed by the defendants, Anderson Parrish Associates, Inc., Steven D. Lange, and John A. Anderson, is DENIED. *See* Fed. R. Civ.P. 56(c).

The other motion for summary judgment was filed by the defendants, Raymond C. King and Michael H. Patterson. Although named in their individual capacities, the defendants contend that they were working within the scope of their official

capacities as the Director of Housing and as a member of the Office of the Facility Planning, respectively, at the University of South Florida when the alleged infringement and unfair competition occurred. The defendants therefore conclude that they are entitled to the protection of the Eleventh Amendment to the United States Constitution as well as state sovereign immunity.

The Plaintiff opposes King and Patterson's motion by claiming that there remain issues of material fact and further arguing that this Court's Order of March 16, 1985, forecloses the defendants' contentions. The material facts allegedly remaining relate to the "ownership of the infringing plans, scope of employment of King and Patterson, [and] acts personally undertaken by King and Patterson . . ." Opposition to motion for summary judgment at 3.

Contrary to the plaintiff's argument, the Order of March 16, 1984, did not foreclose the claim by King and Patterson that they are protected by the Eleventh Amendment and sovereign immunity. Although that Order denied the defendants' motion to dismiss because the Board of Regents and the Governor of Florida were not indispensable parties, the Order did not amount to a finding that suit against the defendants was not one against the state for purposes of immunity. In fact, that Order affirmatively found that "the interests represented by both the Board and the Governor can be adequately

protected by those representing the interests of the defendants King and Patterson." March 16, 1984 Order at 4. That Order further stated that "the Court does not address the question of whether they are immune from suit by private parties under the Eleventh Amendment." *Id.*

Additionally, resolution of the factual issues raised by the plaintiff is unnecessary because the plaintiff seeks to enjoin "all Defendants and their agents, servants, employees, transferees, assignees, subsequent purchasers, and all in active participation and concert with Defendants . . ." from using the contested architectural plans or erecting buildings substantially identical to the plans. The plaintiff also seeks damages and an Order requiring destruction of the plans. Whether the University of South Florida owns the contested architectural plans is not material considering the fact that an injunction prohibiting further use of those plans or similar designs would undoubtedly have an adverse impact upon the University's future development regardless of who is ultimately deemed "owner" of the plans. A determination of the acts personally undertaken by King and Patterson, or the scope of their authority, is also unnecessary since "a state officer may be said to act ultra vires only when he acts 'without any authority whatever.' " *Penhurst [sic] State School and Hospital* v. *Halderman,* 104 S.Ct. 900, 908 n. 11 (1984). It is undisputed that both King and

Patterson had authority to acquire housing plans for the university. Even if the scope of King and Patterson's authority was material to the determination of this motion for summary judgment, the University's offer to indemnify them only ratifies their acts, but further supports a finding that their acts were within the scope of their employment. In any event, this Court finds that the University of South Florida is the real and substantial party in interest with regard to the suit filed against King and Patterson. King and Patterson are therefore afforded the protection offered by the Eleventh Amendment. *See Penhurst,* [sic] 104 S.Ct. at 908 ("Eleventh Amendment bars suit against state officials when 'the state is the real substantial party in interest.' "); *see also Fouche* v. *Jekyll Island State Park Authority,* 713 F.2d 1518, 1520 (11th Cir. 1983) (instrumentality of state protected by Eleventh Amendment); *Byron* v. *University of Florida,* 403 F. Supp. 49 (N.D. Fla. 1975) (state university is instrumentality of Florida).

The Eleventh Amendment protects against suits against the state or its instrumentalities filed in federal court unless the state has consented to such suit, *see eg., Clark* v. *Barnard,* 108 U.S. 436 (1883), or Congress has abrogated Eleventh Amendment immunity. *See Fitzpatrick* v. *Bitker,* 427 U.S. 445 (1976). Before a court will subject a state or its instrumentality to suit in a federal court,

state consent or congressional abrogation must be "unequivocally expressed". *Penhurst,* [sic] 900 S.Ct. at 907. A review of the statutes and claims involved in this suit convinces this Court that the Eleventh Amendment protection has neither been waived nor abrogated. The defendants' additional claim of protection under state sovereign immunity is unnecessary for a ruling on this motion. *See* 900 S.Ct. at 907 n. 9 (state sovereign immunity distinct from immunity under the Eleventh Amendment). Since there remain no genuine issues of material facts and the defendants, King and Patterson, are entitled to a judgment as a matter of law, their motion for summary judgment is GRANTED.

DONE AND ORDERED in Chambers at Tampa, Florida, this 6th day of September, 1985.

George C. Carr
UNITED STATES DISTRICT JUDGE

APPENDIX E

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CARDINAL INDUSTRIES, INC.,
a corporation,

Plaintiff,

vs. Case No. 83-1038-Civ-T-13

ANDERSON PARRISH ASSOCIATES,
et al.,

Defendants.

_____/

MEMORANDUM DECISION

This action for alleged copying by the defendant of the plaintiff's architectural plans was tried before the Court in November, 1985. Jurisdiction was properly grounded on diversity under 28 U.S.C. §1332, as well under 28 U.S.C. §1338. The five count complaint includes: count I alleging copyright infringement; count II for federal unfair competition constituting a form of false description or representation under the Lanham Trademark Act of 1946, 15 U.S.C. §1125(a); count III claiming common-law unfair competition; count IV for common-law trademark infringement; and count V for deceptive trade practices. Count V was withdrawn by the plaintiff and is no longer at issue.

The plaintiff, Cardinal Industries, Inc.

("Cardinal"), an Ohio corporation with its principal place of business in Columbus, Ohio, is a large manufacturer of modular housing with facilities in Columbus, Atlanta and Sanford, Florida. Cardinal brought this action against the defendants for alleged copying of three plans that are claimed to be protected by the copyright laws, including a 1971 one bedroom unit plan ("1971 plan") (plaintiff's exhibit ("PX") 135), a 1977 efficiency unit plan ("1977 plan") (PX 135), [sic] and a 1982 studio unit plan ("Florida plan") (PX 139). The defendants do not attack the validity of the copyrights on either the 1971 or 1977 plans, but dispute the copyrightability of the Florida plan. The defendants deny copying any of the plaintiff's plans and otherwise claim that the plaintiff is estopped from bringing this action.

This action was originally asserted against two of the University of South Florida's ("University") housing officials, as well as against the architectural firm of Anderson Parrish Associates, Inc. ("APA") and two of its officers. The action against the two University officials, Raymond King, associate vice president of student housing, and Michael Patterson, director of the office of facilities planning, was dismissed on Eleventh Amendment grounds in an Order dated September 6, 1985. Remaining in this action are defendants APA, John A. Anderson, a managerial employee of APA, and Steven D. Lange, a former employee and officer of APA.

In 1981, the University of South Florida was interested in expanding their student housing facilities. Some University officials, including Michael Patterson and Ray King, visited Cardinal's Sanford plant and received brochures that contained reduced copyrighted architectural drawings of Cardinal's standard 12' x 24' modular unit floor plans. Cardinal's regional sales manager, Ted Meyer, consulted and remained in active communication with King and Patterson concerning the possible use of Cardinal's units for the proposed student housing project. The discussed changes and adaptations of the basic Cardinal unit, and developed sketches that detailed various ideas and alternatives.

The University proceeded to select a firm to act as architect for the proposed housing project according to the rules and regulations of the state of Florida. Ted Meyer sent a package of literature to all architectural firms that had been short-listed for consideration as project architect. The literature included the same brochures containing reduced architecturals that were provided to King and Patterson on their visit to Cardinal's Sanford plant. APA was selected as project architect in March of 1982.

University officials told APA of their desire to use modular housing and encouraged the use of Cardinal units. APA independently researched the modular industry and, after visiting various

manufacturers including Cardinal's Sanford plant, submitted four preliminary floor plans. These plans were rejected by the University, apparently for cost reasons. It also appears that both the University and Cardinal were concerned that the initial APA plans designed Cardinal out of the project.

Meyers sought to persuade University officials to incorporate the basic Cardinal unit into the student housing design throughout the design process. Cardinal insisted that it was necessary for the plans to incorporate the Cardinal 12' x 24' dimension and the 2/12 roof pitch in order to make the project biddable by Cardinal. On April 29, 1982, Patterson gave a sketch to APA (PX 49). Patterson testified that the sketch was prepared together with King and Meyers. This Court finds that Cardinal, through Meyer, was aware that Patterson submitted the April 29th sketch to APA. That sketch is similar to the Florida Plan.

On May 12, 1982, before the next set of plans was completed by APA, Cardinal's president, Austin Guirlinger, called a meeting with University officials and APA. Guirlinger declared that Cardinal's interests were not being protected and that Cardinal would do whatever was necessary to protect its copyrights. The meeting abruptly ended as Guirlinger angrily left the room.

After the meeting, APA requested that Cardinal disclose areas of alleged copyright infringement by

the project plans. Cardinal responded by sending APA a list of copyright numbers that did not relate to either the 1971, 1977 or Florida plans. Meyer continued to request that the APA plans be biddable by Cardinal.

The next set of plans released by APA were dated August 6, 1982. Although designed for bid by pre-manufactured housing builders, Cardinal did not participate in the bidding process that was held on those plans. All bids were over budget so APA revised the plans to allow both pre-manufactured and on-sight [sic] builders to bid the project. During the pre-bid conference on this second bid, Cardinal advised other potential contractors that the APA plans constituted a copyright infringement on Cardinal's plans. Several small manufacturers were persuaded not to bid the project. Although Cardinal participated in this second bid, it assured potential bonding companies that it was only bidding the project to prepare for a copyright infringement case and that it did not expect to get the bid because its standard unit did not sufficiently comply with the APA plans. The contract was awarded to an on-sight [sic] builder.

A comparison of the final APA plans and Cardinal's 1971, 1977 and Florida Plans reveals that, although both utilize the basic 12' x 24' dimension and 2/12 pitch room, there are a number of substantial differences, including: foundation

piers, floor joists, engineering systems, roof dimensions, a bathtub versus a shower, presence of closets and the overall arrangement and construction of the kitchenette. The external features also have significant differences, including: window style, Cardinal's use of fencing to hide the air-conditioner, the Cardinal hanging light, the use of gang electrical meters by Cardinal as opposed to individual meters in the APA plans, attic access at the end of each APA unit, Cardinal offset between units as opposed to the shotgun effect of the APA plans, Cardinal's decorative door relief, decorative timber accent on Cardinal's doors, windows and around air-conditioners, Cardinal's front step, beam overhangs at the end of Cardinal units, and parking in front of the Cardinal units as opposed to the APA plans for a pedestrian village.

Count I of the complaint, alleging federal copyright infringement in violation of 17 U.S.C. §101(a), *et. seq.*, places the burden on the plaintiff to show that its plans are properly protectable. While copyrighted architectural plans, as well as reductions of such plans in brochures, are certainly protectable, see example *Herman Frankel Organizations* v. *Tegman,* 367 F.Supp. 1051 (E.D. Mich. 1973), the existence of such plans does not prevent the building of a similar structure as that taught by the copyrighted plans. *Id.* at 1053. In other words, copyright protection does not extend to

any "idea, procedure, process, system, method operation, concept, principle, or discovery, regardless of the form in which it is described . . . in such work." 17 U.S.C. §102(b). Therefore, the mere fact that the APA plans utilized a 12' x 24' dimension or a 2/12 roof pitch does not, in and of itself, constitute copyright infringement. There must be an affirmative showing by the plaintiff that it is the owner of the allegedly infringed plans, that the plans were copied by the defendant and that the copies are substantially similar to the original works. *Universal Athletic Sales* v. *Salkeld,* 511 F.2d 904 (3d Cir. 1975).

There is no dispute as to the plaintiff's ownership of the 1971 or 1977 plans or those plans appearing in the brochures provided to the defendants. However, the facts are disputed concerning the source of the Florida Plan. The Florida Plan is substantially similar to Patterson's April 29, 1982, sketch. That sketch, according to Patterson, was the result of earlier discussions with both King and Meyer in August of 1981. King claims that the double closets appearing in the sketch were his idea. Meyer, on the other hand, claims that the Florida Plan, which bears a date of January 1, 1982, and a copyright registration date of September 18, 1982, was an adaptation of the 1977 plan. Given the conflicting testimony, this Court finds that the April 29th sketch, although drawing ideas from the basic

Cardinal concept, was a product of the joint efforts of King, Patterson and Meyer. This Court further finds that the Florida Plan was also a product of the same consultations between King, Patterson and Meyer and is therefore not owned by Cardinal and not properly copyrightable. *See e.g, Peter Pan Fabrics* v. *Dixon Dextiles Corp.*, 280 F.2d 800 (2d Cir. 1960) (copyrightability depends upon independent creation).

Even if the plaintiff had proved ownership of the Florida Plan, it failed to prove copying of either the Florida Plan or those plans that are indisputably owned by Cardinal. Although APA had access to the Cardinal plans, the differences between the Cardinal plans and the final APA drawings so outweigh the similarities that there is no substantial similarity. *See e.g., Hedaya Brothers, Inc.* v. *Capital Plastics, Inc.*, 493 F.Supp. 1021 (S.D.N.Y. 1980). Any apparent similarities are not the result of copying by the defendants, but rather are attributable to either unprotected design ideas, basic industrial standards or accomondation [sic] of plaintiff's insistence that the plans be biddable by Cardinal. The plaintiff is therefore not entitled to recover under count I of the complaint.

Additionally, even if the defendants had copied the plaintiff's designs, the plaintiff's conduct entitles the defendants to the defense of estoppel. As explained by the district court in *Schuchart &*

Associates v. *Solo Serve Corp.*, 220 U.S.P.Q. (BNA) 170 (W.D. Tex. 1983):

> In order to establish an estoppel defense to an action for infringement of copyright, Defendants must establish that Plaintiffs had knowledge of Defendants infringing conduct and acted in a manner on which defendants could reasonably rely in the course of their conduct. Also, Defendants must be ignorant of the true facts and must rely on Plaintiffs' conduct to their detriment. *Hampton* v. *Paramount Pictures Corp.*, 279 F.2d 100, 104, 125 USPQ 623, 625 (9th Cir. 1960), cert. denied, 364 U.S. 882, 127 USPQ 555 (1960).

Although the facts show that Cardinal initially informed the defendants that it generally protected its copyrighted designs, its subsequent active persuasion of both the University officials and APA personnel to incorporate Cardinal standards into the plans suggested an abandonment of its copyright claims and certainly indicated knowledge on the part of Cardinal that its incorporated suggestions infringed on Cardinal designs. The May 1982 meeting in which Guirlinger angrily alleged copyright infringement came after APA had already relied, to its detriment, on Cardinal's insistence that certain Cardinal features be included in the plans. Cardinal's further attempts, after that meeting, to get Cardinal standards incorporated into the plans was consistent with earlier indications that biddability was of paramount importance to Cardinal. Cardinal is estopped from now complaining that the results of its own efforts for incorporation of its designs

amounts to infringement of its copyrighted plans.

Count II, brought under the Lanham Act, 15 U.S.C. 1125(a), alleges that the defendants' design amounts to a false representation as to origin, thus representing unfair competition. In order to recover under such theory, a plaintiff is required to show that those designs sought to be protected (1) are non-functional, (2) have acquired a secondary meaning, and (3) create a likelihood of confusion among the consuming public. *Faberge, Inc.* v. *Saxony Products, Inc.*, 605 F.2d 426 (9th Cir. 1979). As to factor (1), above, the plaintiff failed to prove that the standard 12' x 24' dimension was non-functional. In fact, 12' x 24' is an industry standard. Except for the 2/12 pitch roof, which arguably is non-functional, the non-functional aspects of the Cardinal floor plans or overall design were not utilized in the APA plans. This Court finds that APA's inclusion of the 2/12 roof pitch was the result of Cardinal's own insistence that it be included to make the project biddable by Cardinal. Aside from the fact that the roof support systems of Cardinal and APA are entirely different, Cardinal is estopped from complaining about the exterior similarities. *See supra*, discussion on estoppel.

The plaintiff further failed to show that its product has acquired a secondary meaning. In order to show secondary meaning, the plaintiff must show that the consuming public is both familiar with the

design and associates the design with a single source. *Deer and Co.* v. *Farmland, Inc.*, 560 F.Supp. 85 (S.D. Iowa 1982). The plaintiff's evidence of extensive advertising, although indicating public familiarity, failed to demonstrate that the public identifies the design with Cardinal Industries alone.

The third element, likelihood of confusion, must be among the *consuming* public, not the casual observer. The more expensive and sophisticated a given product is, the less likelihood of confusion. *Id.* at 100. Even a cursory investigation by a potential consumer would prevent any confusion between the Cardinal product and the University student housing facility built according to the APA plans.

The plaintiff also failed to establish the remaining two counts of the complaint for common law unfair competition and trademark infringement. Since the common law claims depend upon essentially the same proofs as those brought under the federal statutes in counts I and II (see example the elements for common law trademark infringement listed in *American Bank of Merritt Island* v. *First American Bank & Trust,* 455 So.2d 443 (Fla. 5th DCA 1984)), the plaintiff's proofs failed to show that the defendants either infringed on Cardinal's plans or unfairly competed with Cardinal's products. *Cf. Schuchart & Associates* v. *Solo Serve Corp., supra*

(common law copyright preempted by federal statutes unless plaintiff shows entitlement to separate right).

Accordingly, the Clerk is directed to enter judgment in favor of the defendants on all counts.

Each party shall bear their own costs.

DONE AND ORDERED in Chambers at Tampa, Florida, this 7th day of May, 1986.

/s/ George C. Carr

UNITED STATES DISTRICT JUDGE

APPENDIX F

SUPREME COURT
of the UNITED STATES

No., A-757

CARDINAL INDUSTRIES, INC.,
Applicant,

v.

ANDERSON PARRISH ASSOCIATES, ET AL.

ORDER EXTENDING TIME TO FILE PETITION
FOR WRIT OF CERTIORARI

UPON CONSIDERATION of the application of counsel for the applicant,

IT IS ORDERED that the time for filing a petition for a writ of certiorari in the above-entitled cause be, and the same is hereby, extended to and including May 27, 1987.

/s/ Lewis F. Powell, Jr.
Associate Justice of the Supreme
Court of the United States

Dated this 20th
day of April, 1987.